

SENATE, No. 3689

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED SEPTEMBER 30, 2024

Sponsored by:

Senator JOSEPH A. LAGANA

District 38 (Bergen)

Senator ANGELA V. MCKNIGHT

District 31 (Hudson)

SYNOPSIS

Allows limited liability company to terminate alternate name.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 10/10/2024)

1 AN ACT allowing for the termination of alternate name of limited
2 liability companies and amending Title 42 of the Revised
3 Statutes.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. Section 9 of P.L.2012, c.50 (C.42:2C-9) is amended to read
9 as follows:

10 9. Use of Name Other Than Actual Limited Liability Company
11 Name.

12 a. A domestic limited liability company or foreign limited
13 liability company which conducts activities in this State shall not
14 conduct any of those activities using an alternate name, including
15 an abbreviation of its name or an acronym, unless:

16 (1) it also uses its actual name in the transaction of any of its
17 activities in a manner that is not deceptive as to its actual identity;

18 or

19 (2) it has first registered the alternate name as provided in
20 subsection b. of this section.

21 b. Any limited liability company may adopt and use any
22 alternate name, including a name which would be unavailable as the
23 name of a domestic or foreign limited liability company because of
24 the prohibitions of subsection a. or b. of section 8 of **[this act]**
25 P.L.2012, c.50 (C.42:2C-8), but not including any name not
26 permitted as a limited liability company name by subsection c. of
27 section 8 of **[this act]** P.L.2012, c.50 (C.42:2C-8), by filing an
28 original and a copy of a certificate of registration of alternate name
29 with the filing office executed on behalf of the limited liability
30 company. The certificate shall set forth:

31 (1) The name, jurisdiction and date of formation of the limited
32 liability company;

33 (2) The alternate name;

34 (3) A brief statement of the character or nature of the particular
35 activities to be conducted using the alternate name;

36 (4) That the limited liability company intends to use the
37 alternate name in this State;

38 (5) That the limited liability company has not previously used
39 the alternate name in this State in violation of this section or, if it
40 has, the month and year in which it commenced the use.

41 c. The registration shall be effective for five years from the
42 date of filing, unless sooner terminated as provided below, and may
43 be renewed successively for additional five-year periods by filing
44 an original and a copy of the certificate of renewal executed on
45 behalf of the limited liability company any time within 90 days

EXPLANATION – Matter enclosed in bold-faced brackets **[thus] in the above bill is not enacted and is intended to be omitted in the law.**

Matter underlined thus is new matter.

1 prior to, but not later than, the date of expiration of the registration.
2 The certificate of renewal shall set forth the information required in
3 paragraphs (1) through (4) of subsection b. of this section, the date
4 of the certificate of registration then in effect and that the limited
5 liability company is continuing to use the alternate name. If a
6 limited liability company ceases to use an alternate name in this
7 State prior to the expiration date of the five-year registration period,
8 it may file a termination certificate. A termination certificate shall
9 state the name of the limited liability company, the alternate name
10 for which the limited liability company has filed a certificate of
11 registration and that the limited liability company has ceased to use
12 the registered alternate name. The termination certificate may recite
13 the date upon which the limited liability company ceased to use the
14 alternate name, but no recital shall be required.

15 d. This section shall not:

16 (1) Grant to the registrant of an alternate name any right in the
17 name as against any prior or subsequent use of the name, regardless
18 of whether used as a trademark, trade name, business name or
19 corporate name; or

20 (2) Interfere with the power of any court to enjoin the use of the
21 name on the basis of the law of unfair competition or on any other
22 basis except the identity or similarity of the alternate name to any
23 corporate, limited partnership or limited liability company name.

24 e. A limited liability company which has used an alternate
25 name in this State contrary to the provisions of this section shall,
26 upon filing a certificate of registration of alternate name or an
27 untimely certificate of renewal, pay to the filing office the filing fee
28 prescribed for the certificate plus an additional filing fee equal to
29 the full amount of the regular filing fee multiplied by the number of
30 years it has been using the alternate name in violation of this
31 section. For the purpose of this subsection, any part of a year shall
32 be considered a full year.

33 f. The failure of a limited liability company to file a certificate
34 of registration or renewal of alternate name shall not impair the
35 validity of any contract or act of the limited liability company and
36 shall not prevent the limited liability company from defending any
37 action or proceedings in any court of this State, but the limited
38 liability company shall not maintain any action or proceeding in any
39 court of this State arising out of a contract or act in which it used
40 the alternate name until it has filed the applicable certificate.

41 g. (1) A limited liability company which files a certificate of
42 registration of alternate name which contains a false statement or
43 omission regarding the date it first used an alternate name in this
44 State shall, if the false statement or omission reduces the amount of
45 the additional fee it paid or should have paid as provided in
46 subsection e. of this section, forfeit to the State a penalty of not less
47 than \$200 nor more than \$500.

1 (2) A limited liability company which should have filed a
2 certificate of registration or renewal of alternate name and fails to
3 do so within 60 days after being notified of its obligation to do so
4 by the filing office, by any other governmental officer, or by any
5 person aggrieved by its failure to do so, shall forfeit to the State a
6 penalty of not less than \$200 nor more than \$500.

7 (3) A penalty imposed under this section shall be recovered with
8 costs in an action brought by the Attorney General. The court may
9 proceed on the action in a summary manner.

10 (cf: P.L.2012, c.50, s.9)

11
12 2. Section 93 of P.L.2012, c.50 (C.42:2C-93) is amended to
13 read as follows:

14 93. Fees.

15 a. No document required to be filed under **[this act]** P.L.2012,
16 c.50 (C.42:2C-1 et seq.) shall be effective until the applicable fee
17 required by this section is paid. The following fees shall be paid to
18 and collected by the State Treasurer for the use of the State:

19 (1) Upon the receipt for filing of a certificate of registration of
20 alternate name or a certificate of renewal pursuant to section 9 of
21 **[this act]** P.L.2012, c.50 (C.42:2C-9), a fee in the amount of \$50,
22 and upon the receipt for filing of a certificate of termination of
23 alternate name pursuant to section 9 of P.L.2012, c.50 (C.42:2C-9),
24 a fee in the amount of \$50.

25 (2) Upon the receipt for filing of an application for reservation
26 of name, an application for renewal of reservation or a notice of
27 transfer or cancellation of reservation pursuant to section 10 of
28 **[this act]** P.L.2012, c.50 (C.42:2C-10), a fee in the amount of \$50.

29 (3) Upon the receipt for filing of a statement under section 15 of
30 **[this act]** P.L.2012, c.50 (C.42:2C-15), a fee in the amount of \$25,
31 upon the receipt for filing of a statement under section 16 of **[this**
32 **act]** P.L.2012, c.50 (C.42:2C-16), a fee in the amount of \$25 and a
33 further fee of \$10 for each limited liability company affected by
34 that statement.

35 (4) Upon the receipt for filing of a certificate of formation under
36 section 18 of **[this act]** P.L.2012, c.50 (C.42:2C-18), a fee in the
37 amount of \$125; and upon receipt for filing, a certificate of
38 correction under section 23 of **[this act]** P.L.2012, c.50 (C.42:2C-
39 23), a certificate of amendment or restatement under section 19 of
40 **[this act]** P.L.2012, c.50 (C.42:2C-19), a certificate of dissolution
41 under section 49 of **[this act]** P.L.2012, c.50 (C.42:2C-49), or
42 articles of merger under section 76 of **[this act]** P.L.2012,
43 c.50(C.42:2C-76), a fee in the amount of \$100.

44 (5) Upon the filing of articles of conversion under section 80 of
45 **[this act]** P.L.2012, c.50 (C.42:2C-80), a fee in the amount of \$100.

46 (6) Upon filing of an annual report, a fee in the amount of
47 \$75.00.

1 (7) Upon requesting a reinstatement of a certificate of a limited
2 liability company.

3 (8) For certifying copies of any paper on file as provided for by
4 **【this act】** P.L.2012, c.50 (C.42:2C-1 et seq.), a fee in the amount of
5 \$25 for each copy certified.

6 (9) The State Treasurer may issue copies of instruments on file
7 as well as other copies, and for all of those copies, whether certified
8 or not, a fee in the amount of \$10 for the first page and \$2 per page
9 thereafter shall be paid.

10 (10) Upon the receipt for filing of an application for certificate of
11 authority as a foreign limited liability company under section 58 of
12 **【this act】** P.L.2012, c.50 (C.42:2C-58) or a certificate of
13 cancellation under section 64 of **【this act】** P.L.2012, c.50 (C.42:2C-
14 64), a fee in the amount of \$125.

15 (11) For preclearance of any document for filing, a fee in the
16 amount of \$100.

17 (12) For preparing and providing a written report of a record
18 search, a fee in the amount of \$50.

19 (13) For issuing any certificate of the State Treasurer, including
20 but not limited to a certificate of good standing, other than a
21 certification of a copy under paragraph (8) of this subsection, a fee
22 in the amount of \$50, except that for issuing any certificate of the
23 State Treasurer that recites all of a limited liability company's
24 filings with the State Treasurer, a fee of \$100 shall be paid for each
25 such certificate.

26 (14) For receiving and filing or indexing any certificate, affidavit,
27 agreement or any other paper provided for by **【this act】** P.L.2012,
28 c.50 (C.42:2C-1 et. seq.), for which no different fee is specifically
29 prescribed, a fee in the amount of \$75.

30 (15) The State Treasurer may in his discretion charge a fee of \$50
31 for each check received for payment of any fee that is returned due
32 to insufficient funds or the result of a stop payment order.

33 b. In addition to those fees charged under subsection a. of this
34 section, there shall be collected by and paid to the State Treasurer
35 the following:

36 (1) for all services described in subsection a. of this section that
37 are requested to be completed within the same day as the day of the
38 request, an additional sum of up to \$50; and

39 (2) for all services described in subsection a. of this section that
40 are requested to be completed within a 24-hour period from the time
41 of the request, an additional sum of up to \$25.

42 The State Treasurer shall establish, and may from time to time
43 amend, a schedule of specific fees payable pursuant to this
44 subsection.

45 c. The State Treasurer may in his discretion permit the
46 extension of credit for the fees required by this section upon such

1 terms as he shall deem to be appropriate.
2 (cf: P.L.2019, c.149, s.13.)

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4 3. This act shall take effect immediately.

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STATEMENT

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9 The New Jersey Business Corporation Act allows a corporation
10 to terminate an alternate name prior to the expiration date of the
11 five-year registration period. The New Jersey Revised Uniform
12 Limited Liability Company Act does not allow a limited liability
13 company to terminate an alternate name prior to the expiration date
14 of the five-year registration period. The difference in treatment
15 between corporations and limited liability companies is rectified in
16 this bill. The bill amends the New Jersey Revised Uniform Limited
17 Liability Company Act to allow a limited liability company to
18 terminate an alternate name prior to the expiration date of the five-
19 year registration period.